



Michael L. Parson
Governor
State of Missouri

Sheila Solon, Acting Division Director
DIVISION OF PROFESSIONAL REGISTRATION

Missouri Department of
Commerce & Insurance
Chlora Lindley-Myers, Director

MISSOURI REAL ESTATE COMMISSION

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Terry W. Moore
Executive Director
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June 28, 2021

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
No. 9414 7266 9904 2102 6022 31

Home River Group LLC
ATTN: Jennifer L. Shipman
6123 E Connecticut Ave
Kansas City MO 64120


RE: Missouri Real Estate Commission vs. Home River Group LLC (#2018004366)

Dear Ms. Shipman:

Please find enclosed a copy of the Settlement Agreement between Missouri Real Estate Commission and Home River Group LLC in the above referenced case.

If you have questions about this matter, please feel free to contact our office.

Sincerely,


Terry W. Moore
Executive Director

TWM/cmc

Enclosures

c: Home River Group LLC / Jennifer L. Shipman (# 7016 3010 0000 3405 5166)
Nicholas J. Porto – Porto Law Firm (1600 Baltimore Suite 200A, Kansas City, MO 64108
(regular mail)
Ross Kaplan, Assistant Attorney General (e-mail)

SETTLEMENT AGREEMENT BETWEEN
THE MISSOURI REAL ESTATE COMMISSION AND
HOME RIVER GROUP LLC

Home River Group LLC (“HomeRiver”) and the Missouri Real Estate Commission (“MREC”) enter into this Settlement Agreement for the purpose of resolving all existing disputes in the matter of Missouri Real Estate Commission v. Home River Group LLC, complaint number 20-3110. HomeRiver holds a real estate association license, number 2018004366 (“License”). The MREC and HomeRiver jointly stipulate and agree that a final disposition of this matter may be effectuated as described below pursuant to § 339.205, RSMo.

HomeRiver acknowledges that it understands the various rights and privileges afforded to it by law, including the right to a hearing of the charges against it; the right to appear and be represented by legal counsel; the right to have all charges proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing against it at the hearing; the right to present evidence on its behalf at the hearing; the right to a decision upon the record of the hearing by a fair and impartial administrative hearing commissioner concerning the charges pending against it; the right to a ruling on questions of law by the Administrative Hearing

Commission; the right to a disciplinary hearing before the MREC at which time HomeRiver may present evidence in mitigation of discipline; the right to a claim for attorney fees and expenses; and the right to obtain judicial review of the decisions of the Administrative Hearing Commission and the MREC.

Being aware of these rights provided to it by law, HomeRiver knowingly and voluntarily waives each and every one of these rights and freely enters into this Settlement Agreement and agrees to abide by the terms of this document as they pertain to it.

HomeRiver acknowledges that it has received copies of documents that were the basis upon which the MREC determined there was cause for discipline, along with citations to law and/or regulations the MREC believes were violated. HomeRiver stipulates that the factual allegations contained in this Settlement Agreement are true and stipulates with the MREC that HomeRiver is subject to this action by the MREC in accordance with the relevant provisions of Sections 339.010 to 339.205 and Sections 339.710 to 339.855, RSMo, and 621, RSMo, as amended.

HomeRiver understands that the MREC may take further action against it based on facts or conduct not specifically mentioned in this document that are either now known to the MREC or may be discovered.

I.
Joint Stipulation of Facts and Conclusions of Law

Based upon the foregoing, the MREC and HomeRiver herein jointly stipulate to the following:

1. The MREC is an agency of the State of Missouri, created and established pursuant to Section 339.120, RSMo,¹ for the purpose of executing and enforcing the provisions of Sections 339.010 to 339.205 and Sections 339.710 to 339.855, RSMo.
2. Jurisdiction and venue are proper before the Administrative Hearing Commission pursuant to § 621.045, RSMo, and § 339.200.1(1), RSMo.
3. HomeRiver is a foreign limited liability company, registered on March 23, 2017 in Missouri under charter no. FL001419575.
4. HomeRiver holds a real estate association license, no. 2018004366, which was issued on February 6, 2018 and is current and active.

¹ All statutory citations are to the 2016 Revised Statutes of Missouri as amended, unless otherwise noted.

5. In 2013, Oak Valley 2152027, LLC, ("Oak Valley") purchased 12 properties located in Platte City, Missouri (collectively, the "rental properties").

6. At the time of Oak Valley's purchase, the rental properties were managed by All Property Management, LLC ("All Property").

7. All Property did business under the fictitious name ie Property Management.

8. All Property's management of the rental properties continued with Oak Valley under a verbal agreement.

9. On September 8, 2017, HomeRiver purchased All Property and began managing the rental properties.

10. HomeRiver informed the tenants of the rental properties that HomeRiver was the new property manager and that rents should be directed to HomeRiver.

11. HomeRiver informed Oak Valley that it had taken over the management of the rental properties including marketing the rental properties, maintaining the rental properties, and handling paperwork and funds associated with the rental properties.

12. HomeRiver anticipated receiving compensation or valuable consideration for its actions as a broker for the rental properties.

13. On January 1, 2018, HomeRiver provided a closing statement to Oak Valley regarding the rental properties to conclude its dealings with Oak Valley.

Applicable Law

14. Section 339.010.1 provides in part:

A "real estate broker" is any ... limited liability company ... foreign or domestic who, for another, and for a compensation or valuable consideration, does, or attempts to do, any or all of the following:

* * *

(2) Offers to ... rent or lease real estate;

(3) Negotiates or offers or agrees to negotiate ... rental or leasing of real estate;

(4) Lists or offers or agrees to list real estate for ... rental or exchange;

* * *

(6) Advertises or holds himself or herself out as a licensed real estate broker while engaged in the business of ... renting, or leasing real estate;

(7) Assists or directs in the procuring of prospects, calculated to result in the ... leasing or rental of real estate;

(8) Assists or directs in the negotiation of any transaction calculated or intended to result in the ... leasing or rental of real estate;

* * *

(10) Performs any of the foregoing acts on behalf of the owner of real estate, or interest therein, or improvements affixed thereon, for compensation.

15. Section 339.020, RSMo, states in relevant part:

It shall be unlawful for any ... limited liability company ... foreign or domestic, to act as a real estate broker, real estate broker-salesperson, or real estate salesperson, or to advertise or assume to act as such without a license first procured from the commission.

16. Section 339.100.2 provides in part:

The commission may cause a complaint to be filed with the administrative hearing commission as provided by the provisions of chapter 621 against any person or entity licensed under this chapter or any licensee who has failed to renew or has surrendered his or her individual or entity license for any one or any combination of the following acts:

...

(15) Violation of, or attempting to violate, directly or indirectly, or assisting or enabling any person to violate, any provision of sections 339.010 to 339.180 and sections 339.710 to 339.860, or of any lawful rule adopted pursuant to sections 339.010 to 339.180 and sections 339.710 to 339.860[.]

17. HomeRiver's actions in managing Oak Valley's rental properties while it was unlicensed between September 13, 2017 and February 6, 2018 constitute the unlicensed practice of a real estate broker in violation of section 339.020, which is cause to discipline HomeRiver's license pursuant to section 339.100.2(15). Each action is separate and sufficient cause to discipline and each day of continued violation constitutes a separate offense.

II.
Joint Agreed Disciplinary Order

Based on the foregoing, the parties mutually agree and stipulate that the following shall constitute the disciplinary order entered by the MREC in this matter under the authority of §§ 536.060, 621.045.4 and 621.110, RSMo.

18. **HomeRiver shall pay a civil penalty in the amount of \$14,000.00.** The civil penalty shall be made by certified check payable to the “Missouri Real Estate Commission” and mailed to the Missouri Real Estate Commission, P.O. Box 1339, Jefferson City, MO 65102-1339. The check must be postmarked or hand delivered within 60 days of the effective date of this Settlement Agreement. Funds received pursuant to this Order shall be handled in accordance with Section 7 of Article IX of the Missouri Constitution, and § 339.201.8, RSMo. Respondent’s failure to pay the full amount of the \$14,000.00 civil penalty within 60 days of the effective date of this Order shall constitute a violation of this Order.

19. In the event the MREC determines that HomeRiver has violated this Order, the MREC may, in its discretion, after an evidentiary hearing, vacate and set aside the discipline imposed herein and may suspend, revoke or otherwise lawfully discipline HomeRiver’s license.

20. No additional discipline shall be imposed by the MREC pursuant to the preceding paragraph of this Settlement Agreement without notice and opportunity for hearing before the MREC as a contested case in accordance with the provisions of Chapter 536, RSMo.

21. This Settlement Agreement does not bind the MREC or restrict the remedies available to it concerning any future violations by HomeRiver pursuant to Chapter 339, RSMo, as amended, or the regulations promulgated thereunder, or of the terms and conditions of this Settlement Agreement.

22. This Settlement Agreement does not bind the MREC or restrict the remedies available to it concerning facts or conduct not specifically mentioned in this Settlement Agreement that are either now known to the MREC or may be discovered.

23. Each party agrees to pay all their own fees and expenses incurred as a result of this case, its litigation, and/or its settlement.

24. The terms of this Settlement Agreement are contractual, legally enforceable, and binding, not merely recital. Except as otherwise contained herein, neither this Settlement Agreement nor any of its provisions may be changed, waived, discharged, or terminated, except by an instrument in

writing signed by the party against whom the enforcement of the change, waiver, discharge, or termination is sought.

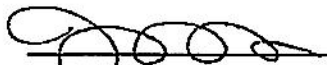
25. The parties to this Settlement Agreement understand that the MREC will maintain this Settlement Agreement as an open record of the MREC as required by Chapters 324, 339, and 610, RSMo, as amended.

26. HomeRiver, together with its partners, officers, members, managers, heirs, assigns, agents, employees, representatives and attorneys, do hereby waive, release, acquit and forever discharge the MREC, its respective members, employees, agents and attorneys including former members, employees, agents and attorneys, of, or from any liability, claims, actions, causes of action, fees, costs, expenses and compensation, including, but not limited to, any claim for attorney's fees and expenses, whether or not now known or contemplated, including, but not limited to, any claims pursuant to § 536.087, RSMo, as amended, or any claim arising under 42 U.S.C. § 1983, which now or in the future may be based upon, arise out of, or relate to any of the matters raised in this case or its litigation or from the negotiation or execution of this Settlement Agreement. The parties acknowledge that this paragraph is severable from the remaining portions of the Settlement Agreement in that it survives in perpetuity even in the


event that any court or administrative tribunal deems this agreement or any portion thereof void or unenforceable.

27. This agreement shall become effective fifteen (15) days following the signature of the MREC's Executive Director, unless waived by the licensee.

RESPONDENT


Jennifer L. Shipman 6/21/21
Designated Broker for Date
Home River Group LLC

MISSOURI REAL ESTATE
COMMISSION

By:  06-28-2021
Terry W. Moore, Date
Executive Director